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STATEMENT OF  
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U.S. PACIFIC COMMAND  
BEFORE THE HOUSE ARMED SERVICES COMMITTEE  
ON U.S. PACIFIC COMMAND POSTURE  
9 March 06

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**INTRODUCTION**

Mr. Chairman and Members of the Committee:

On behalf of the men and women of the United States Pacific Command (PACOM), I thank you for this opportunity to testify on the posture of our command, and provide an assessment of security in the Asia-Pacific region.

The Asia-Pacific region is an area of dynamic human activity, unprecedented economic growth and continuing security challenges in several areas. During this past year, Pacific-based U.S. military forces have served in large numbers in Iraq and Afghanistan, provided relief to thousands in the wake of natural disasters, built capacity in SE Asian nations combating terrorists and helped stabilize the region through exercises and engagement with countries throughout Asia and the Pacific.

In the past year, I have traveled extensively throughout the PACOM area of responsibility, meeting with military and government leaders, familiarizing myself first hand with issues, and determining how we - in concert with allies and partners - should prioritize efforts. These face-to-face discussions and first hand experiences have been very helpful in charting the course of our work. Several key impressions frame my overall assessment of the region.

In Northeast Asia, the U.S.-Japan relationship - the only military alliance for the Japanese - continues as the cornerstone for security in that area. The soon to be concluded Defense Policy Review Initiative (DPRI) has charted the strategic way ahead for the alliance and established a framework for the future U.S. force structure in Japan.

The U.S. - Republic of Korea alliance is healthy and evolving. The transformation and rebalancing of our combined military forces continue on pace with no impact to our readiness to decisively defeat aggression from North Korea, if required. The North Korean leadership remains an enigma and

the known ballistic missile capability of this country plus the potential possession of nuclear weapons are cause for continuing concern and attention to the Korean Peninsula. The Six-Party Talks, while not yet yielding a resolution to the North Korean nuclear issue, provide an encouraging framework for regional diplomatic leadership by the ROK, Japan, Russia, and China.

China's economic momentum and military modernization are conspicuous and influential. Regional leaders value the prosperity generated by their growing neighbor. Much of Asia's recovery from the late 1990's financial crisis was a direct result of strong Chinese markets. Asia-Pacific nations are grateful for the many decades of security and stability which a strong U.S. military presence has provided to the region. But most nations also want to share in the economic benefits which are being generated by China. Consequently, a positive relationship with both China and the United States remains the goal of most nations.

China continues to modernize its armed forces and acquire new capabilities at an accelerating rate. While nowhere near U.S. military capabilities, the PLA is enhancing a diverse and robust array of military hardware. And while economic, commercial and almost every other type of interaction between the U.S. and China has been accelerating, military to military ties have lagged. We are working hard now to change the vector in this area, to encourage Chinese military leaders to substantively engage with us in a more transparent manner. In my discussions with PLA military leaders, they indicated a willingness to reciprocate. It is important to advance our mutual military relationship, not only to ease tension and suspicion but to encourage, by example, Chinese participation in the full range of international engagement.

While consistently seeking to assure the PRC of our desire for peaceful resolution of cross-strait issues, we retain our strong commitment to the

defense of Taiwan should it be threatened by PRC military action. In this regard we have firmly and consistently advocated a stronger commitment and investment by Taiwan in its own defense. We welcome the general reduction in cross-strait tension between China and Taiwan, but recognize the potential for danger in this relationship.

Southeast Asia is the front line of the War on Terror in PACOM. Activities by terrorists and their supporters have been centered in the Philippines, Indonesia and Malaysia, particularly in the area of the Sulawesi Sea. With the cooperation of those nations, we have been building capacity and strengthening the ability of those countries to resist the activities of the terrorists and to actively seek their capture or demise.

In Indonesia, we are in the early stages of applying newly available foreign military financing and we anticipate that this investment, along with continued infusion of security assistance funding next year, will support efforts to professionalize and reform the Indonesian military. Terrorist and separatist perpetuated violence in southern Thailand, Sri Lanka, Nepal, and Bangladesh is also a serious concern.

Relations with India are strongly positive. The world's largest democracy has much in common with us. We seek to reinforce the administration's effort to build a U.S.-India strategic partnership by enhancing our military-to-military interaction, particularly with increased exercises and engagement.

These impressions highlight both the challenges and opportunities in the PACOM area of responsibility. We have in place key elements to succeed in advancing U.S. security interests and enhancing regional stability - vibrant alliances, opportunities for new partnerships, combat ready and agile forces, and committed Soldiers, Sailors, Airmen, and Marines to lead our efforts. As we move forward, our initiatives are organized into five focus areas - prosecuting and winning the War on Terror; maturing our joint and

combined warfighting capabilities and readiness; ensuring the credibility of our operational plans; advancing regional security cooperation; and, posturing forces for agile and responsive employment.

**WINNING THE WAR ON TERROR (WOT)**

Winning the War on Terror is our highest priority at PACOM. Cooperating nations of the region, particularly Australia, Japan, Republic of Korea, Thailand, Singapore, Fiji, Mongolia, and New Zealand, are making or have made significant, worldwide contributions to the war effort in Iraq and Afghanistan. Tonga has previously committed forces and we expect force contributions again in 2006.

Within Asia and the Pacific, we strive to eliminate the violence that now threatens the people and stability of the region and, more importantly, to transform at-risk environments - by, with, and through our regional partners. In every case, we work closely with the host nation, the Office of the Secretary of Defense, the Department of State and our U.S. Ambassadors in crafting our approaches to the at-risk areas.

Southeast Asia remains the PACOM focal point in the War on Terror. It has experienced significant terrorist activity - as evidenced by the October 2005 bombing in Bali. In the southern Philippines, Mindanao and the Sulu archipelago remain a sanctuary, training and recruiting ground for terrorist organizations. We continue efforts to create a secure and stable environment.

**OPERATION ENDURING FREEDOM-PHILIPPINES (OEF-P)** remains focused on training, advising, and assisting WOT efforts of the Armed Forces of the Philippines (AFP). As a result, we note both operational and organizational improvement in counterterrorism capacity of the AFP and other Philippine Security Forces. For example, AFP units have been able to sustain themselves for longer periods in the field. Additionally, they have been able to better

coordinate across services to pursue objectives. Other efforts, such as strategic communication, humanitarian and civil assistance, civil-military operations, intelligence fusion, and ongoing peace negotiations between the Philippine government and separatist Moro Islamic Liberation Front (MILF), have eroded support to the Abu Sayyaf Group and Jemaah Islamyah. In summary, we have made progress, but more can and will be done.

Government of Indonesia commitment to thwarting extremism and maritime security is readily evident, and recent operations against key terrorist leaders demonstrate that the skill and capabilities of Indonesian forces are improving. Indonesian security forces aggressively pursued terrorists responsible for the October 2005 Bali bombing, resulting in the death of one of the top two Jemaah Islamyah leaders (Al Zahari).

To support and accelerate Indonesian counter-terror actions, and to enhance maritime security, particularly in the strategically important Strait of Malacca, we endorse a rapid, concerted infusion of assistance. Aid to the Indonesian military (TNI) will help sustain ongoing reforms as well as increase capacity for action against security threats and bolster their professionalism. Our assistance to the TNI will contribute to the long-term success of the Indonesian democracy – and ultimately – help remove conditions that breed terrorism. In the wake of the recent Department of State decision to waive the FY06 Foreign Operations Appropriations restrictions in the interest of national security, we have moved out smartly to implement Foreign Military Financing (FMF) for Indonesia. As we move forward in this new partnership, we remain committed to the improving the professionalism of the TNI and we will continue to closely observe and emphasize their support for human rights.

The dedicated professionals of our **Joint Interagency Task Force-West (JIATF-W)** made major contributions in furthering WOT objectives by attacking a key enabler of terrorism – transnational crime – in an exceptionally cost-

effective way. JIATF-W personnel coordinated military-to-military training, information sharing, law enforcement training and infrastructure development projects throughout the theater but primarily among countries with the greatest threat of drug-related funding to terrorist activities. In a major success, the Interagency Fusion Center in Jakarta, Indonesia provided significant assistance to the raid of an industrial-scale drug lab outside Jakarta on 11 November 2005, the largest seizure in Indonesian history and among the largest in the world. The Philippine center is also operational and contributing to counter transnational threats.

Forces from the Special Operations Command PACIFIC play a key role in supporting PACOM WOT operations. They lead the effort in the Philippines - in concert with our Filipino partners - helping stabilize and improve the social-political environment. In addition to operations in the Philippines, the Joint Combined Exchange Training (JCET) program is the principal mechanism used by Special Operations Forces to assist partner nations in building capacity to defeat terrorism and improve our understanding of complexity of the local environment.

**MATURE OUR JOINT AND COMBINED WARFIGHTING CAPABILITY AND READINESS**

Fundamental to success in the War on Terror and continued stability in the Asia-Pacific region is our joint and combined warfighting capability and readiness. As virtually every operation and activity is conducted jointly and in concert with allies, it is important that we train to operate more effectively as a multinational team.

The revised PACOM training plan is specifically designed to mature joint and combined warfighting capability, and advance security cooperation while more effectively using resources. During the past year, we have completely reviewed our training program with the goals of maximizing scarce training dollars and minimizing unnecessary stress on the force. We aligned,

reduced, and, where appropriate, eliminated exercises. By leveraging rotational forces in theater, we can meet obligations with partners and allies, enhance training opportunities and demonstrate resolve. As one example, Exercise COBRA GOLD continues as a premier multilateral event with five countries partnering in a Command Post Exercise and more than twenty countries participating within the Multinational Planning and Augmentation Team. We are also using this existing venue to lead the Asia - Pacific Global Peace Operations Initiative (GPOI) training and certification. Through the routine interaction created by our exercises, we expect to reduce existing interoperability barriers, increase military capacity and confidence, and enhance the likelihood of an effective regional response to future crises.

Maturing our capability and readiness also requires operational improvements that not only span the spectrum of mission types - from nontraditional to combat operations - but also reflect the maritime nature of our theater.

**Undersea Superiority.** The Pacific Fleet has renewed its focus on Anti-Submarine Warfare (ASW) in view of the proliferation and increased capability of submarines in Asia and the Pacific. Continued enhancement of air, surface, subsurface, and C4I systems, as well as regular training and operations with partners and allies, will ensure our sustained ability to dominate any submarine threat.

**Deep Intelligence Penetration/Persistent Surveillance.** We remain overly dependent on technical collection for our intelligence - a dependency that prevents us from gaining an acceptable degree of insight into adversary intent. Such insight is necessary, however, if commanders are to effectively shape, deter, or respond militarily, particularly during the initial, escalatory stage of a crisis. We are working to adopt better management processes to meet our knowledge goals. However, increased and focused

capabilities - more persistent, deep, and discreet surveillance, better regional expertise, better human intelligence - are needed to better assess adversary intentions.

**Command and Control (C2).** A robust, reliable, secure, and shared communications architecture is critical to the command and control of military forces in joint and combined warfighting. To support current plans and future network-centric operations, we need to provide sufficient MILSATCOM capabilities across the vast Pacific region. We are working to diversify critical C4 sites to reduce the possibility of a disabling attack on our networks. Furthermore, to facilitate coalition interoperability, critical to the War on Terror, we need to rapidly move from bilateral to multinational information sharing. Since extremism does not respect borders, meaningful counter terror response requires all affected nations to join hands, creating nodes of knowledge to thwart attacks. The ongoing effort to improve information sharing among Strait of Malacca littoral states is a good example.

**Strategic and Intra-theater Lift.** Given the size and maritime nature of our AOR, agile employment - in responding to conventional attack or for a nontraditional mission - requires a reliable, versatile, complementary, and rapid airlift and sealift force. The arrival of USAF C-17s this year at Hickam AFB, Hawaii and Elmendorf AFB, Alaska adds increased airlift capacity. We are working to ensure that beddown support requirements, such as maintenance and training facilities, practice assault air strips, and associated infrastructure, keep pace with the aircraft delivery schedule.

**High-Speed Vessels (HSVs)** are a cost effective sealift alternative, providing an exceptionally flexible augment to intra-theater airlift assets. The acquisition of HSVs can significantly enhance the rapid deployment of the Stryker Brigade Combat Teams and the mobility of Special Operations Forces throughout the AOR. We favor continued leasing of HSVs as an interim

capability, and strongly support a more aggressive acquisition process to expedite Joint HSV delivery.

**Prepositioned Stocks (PREPO)/Preferred Munitions.** Due to the time-distance challenges in this theater, PACOM forces require readily available and properly maintained PREPO stocks at the outset of any conflict. With command-level attention, we have elevated the effectiveness of PREPO maintenance. However, we still have an immediate need for replenishment of these stocks and other preferred munitions, particularly GPS-aided and laser-guided weapons. The appropriate mix of emerging weapons such as Guided Multiple Launch Rocket System, new Patriot missiles, and the Joint Air-to-Surface Standoff Munitions will be important in the future.

Air dominance, sea control, effective ballistic and cruise missile defense, and the ability to counter chemical, biological, radiological, and nuclear (CBRN) attacks on our forces and homeland are essential requirements to military readiness in the Pacific theater. Throughout our operating environment, these capabilities enable our forces to gain access, freely maneuver, and focus on the objective - whether conducting maritime interdiction operations or preventing an adversary's lodgment. We support Joint and Service programs that would preserve our superiority.

**ENSURE OPERATIONAL PLANS ARE CREDIBLE**

Operational plans form the basis for military requirements in peacetime and initial response in war. As such, they must be both credible and executable. At PACOM, we bring to the planning process a culture that challenges assumptions, analyzes with rigor, and demands refinement when variables change. For Homeland Defense, we work with NORTHCOM to refine and exercise comprehensive strategies that safeguard Americans. Additionally, annual exercises, such as TERMINAL FURY, enable us to more closely examine key aspects and potential friction points in our plans and to develop options

which optimize capabilities. Equally important, our staffs gain confidence in their ability to execute as a result of these exercises.

**ADVANCE REGIONAL SECURITY COOPERATION**

Our Theater Security Cooperation Plan serves as the primary blueprint to enhance U.S. relationships and military capacities of allies and regional partners. It is fully coordinated with our embassy country teams and integrates available resources – security assistance, military-to-military exchanges, exercises, cooperative technology development, and outreach programs – into a coherent, mutually supportive set of activities for each country. Of note, our enlisted leadership development program, targeted at militaries in developing nations, serves to enhance the professionalism and capacity of this key cohort. With stronger non-commissioned officers, we believe that the operational professionalism of units is increased as well as individual soldier leadership, important in building capability and respect for human rights.

We view these security cooperation activities as essential to the execution of U.S. strategy. For relatively low cost, we can make progress in each of the PACOM focus areas, and we facilitate situations in which future challenges can be met through strong regional cooperation and capacity.

**Japan.** The U.S.-Japan alliance remains the most important pact in the Pacific and is as strong as ever. Approximately 50,000 U.S. armed forces personnel are in Japan, either permanently assigned or forward deployed with Naval Forces. The Government of Japan also provides approximately \$4 billion annually in host nation support to our basing arrangements. These forward-stationed and forward-deployed forces send a strong signal of U.S. commitment to maintaining peace and stability in the region as well as providing a ready response force in East Asia.

Our alliance is undergoing important changes, ensuring its relevance for the long term. Continuing the work announced in the Alliance Transformation and Realignment Report in October, we are developing detailed implementation plans with Japan for each of the proposed posture changes (discussed later in this text). Simultaneously, we are conducting a U.S.-Japan interoperability study, exploring ways to improve how our forces coordinate a wide range of operations. Close collaboration is also ongoing for cooperative missile defense, an effort that will improve the security of Japan as well as the U.S.

Prime Minister Koizumi has demonstrated exceptional leadership in support of the U.S. - Japan security alliance and guided the Japanese government (GOJ) and military through significant change. With renewal of its Special Legislation, Japan continued its deployment of Self-Defense Force (SDF) personnel to Iraq and the Indian Ocean in support of Operation Enduring Freedom. Additionally, Japan expeditiously deployed its SDF to Indonesia for humanitarian relief in the aftermath of the tsunami disaster. These actions clearly show the willingness and capability of the GOJ to deploy the SDF regionally and globally in support of security and humanitarian operations.

**Republic of Korea (ROK).** The U.S.-ROK alliance is sound and continues to form the foundation to peace and security on the Korean peninsula. Our alliance remains focused on the most immediate security threat to the Korean people - North Korea (DPRK). The DPRK maintains more than 70 percent of its forces within 100 kilometers of the Demilitarized Zone and its export of missiles and missile technology poses a very serious proliferation concern. Other illicit activities - including probable state-run narcotics and currency counterfeiting enterprises - continue to finance the DPRK regime while undermining regional security.

After four complete rounds of Six Party Talks aimed at eliminating North Korea's nuclear weapons programs, it is clear that deliberate and

coordinated multilateral efforts between the ROK, Japan, Russia, and China must continue. The strong ROK-U.S. defense partnership has been an essential cornerstone of the effort to deter aggression and resolve the North Korean nuclear issue peacefully through regional diplomacy.

The U.S.-ROK alliance must remain adaptable in light of the changing security environment, including unconventional threats, China's military modernization, and the potential for reconciliation between the Koreas. The ROK and U.S. are working to transform both our militaries and the alliance. We also hope to foster greater trilateral military cooperation between the ROK, Japan, and the U.S., and we welcome Korea's adoption of a more regional view of security and stability. By moving forward as partners we will continue to successfully modernize the alliance for our mutual and enduring benefit.

**Australia**, one of our closest and steadfast allies, plays a key role in the Pacific and is a staunch partner in the War on Terror. U.S. and Australian military forces coordinate security cooperation and counter terrorism activities in the Philippines, Indonesia, and Malaysia. Additionally, Australia plays a leading role in regional security with operations in East Timor, the Regional Assistance Mission to the Solomon Islands, and maritime security in the Pacific Islands.

High quality, bilateral training between the Australian Defense Force and the U.S. armed forces has been a long-standing and fundamental tenet of our alliance, resulting in successful combined operations in East Timor, Afghanistan, the Persian Gulf, Iraq, and tsunami relief. The establishment of a Joint Combined Training Centre in Australia's Northern Territory will take bilateral training to a new level, allowing our combined forces to prepare for a modern and dynamic threat environment. In addition, we are strengthening intelligence sharing with Australia to further enhance our bilateral cooperation and interoperability.

The **Republic of the Philippines** is a steadfast ally in Southeast Asia, and our mutual commitment to this alliance was just reinforced by rapid U.S. civil and military response to February's Leyte mudslide disaster. Challenged by recent threats to stability, the Philippine government (GRP) appears committed to democratic practices and rule of law. The GRP has taken the lead on initiatives to improve our counterterrorism cooperation, and at the same time, we see steady progress in Philippine Defense Reform. The GRP is committed to a comprehensive reform program that includes a multi-year planning and budgeting process and publication of annual Defense Planning Guidance. The Philippine Government is setting aside resources to retrain and re-equip up to 14 battalions with US material every year for the next five years and is confident this effort will succeed with very modest U.S. assistance. President Arroyo deserves credit for reducing the Philippine budget deficit by 22% in 2005. This strong fiscal position makes military reform more affordable. As Philippine commitment is demonstrated, we should reinforce progress appropriately.

I am encouraged by the continued support and involvement of the Philippine government in significant regional events. This year they endorsed the Proliferation Security Initiative and its Statement of Interdiction Principles. They actively participated in ASEAN Regional Forum venues addressing counterterrorism and maritime security and cooperated with Australia and other friends and allies on diverse security matters.

**Thailand** is a Major Non-NATO Ally, Treaty Ally, and partner which maintains a robust military relationship with the U.S. Having led military peace observers in Aceh, Indonesia, and completed engineering deployments in Afghanistan and Iraq, Thailand routinely demonstrates international commitment and also supports our training requirements by generously hosting the premier PACOM multilateral exercise, COBRA GOLD. This annual exercise is a centerpiece for building regional competencies to respond to a wide range

of transnational security threats and humanitarian relief contingencies. Also, Thailand has been particularly open and cooperative in the WOT and counter-narcotics efforts, and a year ago hosted US and multi-nation tsunami relief efforts. We continue to stay abreast of the terrorist activity in the Southern Provinces.

**India.** We are working with our Indian Armed Forces counterparts to realize the goal of national strategic partnership envisioned by President Bush and Prime Minister Manmohan Singh. As vibrant democracies, India and the U.S. are working together to resolve issues of mutual interest such as maritime security, counter-terrorism, and disaster relief. This year, PACOM forces conducted more complex and realistic training exercises with the Indian military, including the MALABAR naval exercise with aircraft carriers from both nations, the second in a series of Army exercises leading to a Brigade-level Command Post exercise, and the COPE INDIA air exercise featuring a wide range of Indian and U.S. aircraft. As U.S. and Indian security interests overlap, we will ensure our military interaction enhances interoperability and fosters a military-to-military relationship based on trust. We believe a strong, democratic India will be a cornerstone of stability in the region.

**Singapore** and the U.S. signed a Strategic Framework Agreement in July 2005 recognizing Singapore as a major security cooperation partner. This agreement, and the supporting Defense Cooperation Agreement, solidifies strategic access to Singapore for visiting U.S. forces and provides a framework to guide our expanding bilateral security relationship. Maritime security cooperation remains a key common interest, and we continue to work with Singapore and other partners to improve capacity in this area. In August 2005, Singapore, a regional leader within the Proliferation Security Initiative (PSI), held the first Joint and Combined PSI Exercise in Asia. A

staunch supporter of the WOT, Singapore continues to provide forces to Operation IRAQI FREEDOM and Operation ENDURING FREEDOM.

**Indonesia** plays a unique strategic role in Southeast Asia and the Muslim world. As the world's most populous Muslim nation, located astride strategic trade routes, Indonesian democracy is critically important to security in the Pacific.

Over the past year, we have advanced engagement with the Indonesian military by completing the first JCET since 1992, providing \$11 million of medical supplies, and formalizing the military-to-military security consultative process. Our strategy for moving forward is carefully targeted toward areas such as humanitarian assistance and maritime security. We are well on the way to providing \$15 million in C-130 parts to the Indonesian Air Force through the Foreign Military Sales system to help Indonesia improve its airlift capacity, particularly important in responding to natural disasters. We also plan to use \$1 million in Foreign Military Financing (FMF) to support critical improvement to the Indonesian Navy maritime security infrastructure. Additional FMF funding in FY07 would allow us to continue airlift development and speed the deployment of coastal radars and communications equipment essential to Indonesia and maritime security for the region.

As we move forward in this renewed partnership, we remain committed to the improved professionalism and reform of the Indonesian military. We will closely observe and strengthen their demonstrated support for human rights – a major PACOM focus, continually emphasized during numerous high level visits with Indonesia. Just last week, I returned from Indonesia, and several of my Component Commanders have recently visited – each of us is heartened by the progress and values we observed. Of note, President Yudhoyono has warmly greeted the recent U.S. policy changes and remains deeply committed to continued military reforms.

**China.** The rapidly expanding economy, growing demand for energy and clear aim to assume a more prominent role in regional and international affairs is having a major impact on the Asia-Pacific security environment. PACOM activities have been in concert with the Taiwan Relations Act (TRA) of 1979, the three Joint U.S.-PRC communiqués (1972, 1979, 1982) and the One China policy. These policies have helped maintain peace and stability in the area of the Taiwan Strait for the past quarter century. DoD has two obligations under the TRA: assist Taiwan in maintaining its self-defense capability and retain the capacity to resist any use of force against Taiwan. Our efforts are aimed to prevent miscalculation which might result in conflict.

The PRC has continued to acquire new hardware and expand military capabilities. While not constituting a capability near that of the U.S., the increasing sophistication and size of modern military equipment, coupled with the lack of clear national intent with regard to this military capability, merits our close attention. Until the PRC renounces any intention of using force to resolve the Taiwan issue, we will maintain sufficient military capability in the region to meet our obligations under the TRA.

Given the complex and extensive relationship between the U.S. and PRC and the expressed desire to deepen the military relationship between us by the political leaders of both countries, PACOM has been strongly advocating a reinvigorated military-to-military relationship in a variety of areas. We have sought to focus in areas of common interest but have made clear to PLA leaders that the relationship should be guided by principles of transparency and reciprocity.

**Taiwan.** Our relationship with Taiwan is also guided by the TRA. Recognizing that tensions in the area have relaxed in the past year, PACOM has continued to encourage both Taiwan and the PRC to work to resolve peacefully their differences. Enhancing the ability of Taiwan to defend

itself is the focus of our military engagement with Taiwan and we have seen strong interest by the Taiwan military in strengthening their defensive capabilities. We will continue to encourage their acquisition of useful technologies and a strong commitment to their own defense.

**Mongolia** remains a staunch ally fighting terror around the world, whether through involvement in Iraq, or as a volunteer for UN missions. Our relationship remains strong. The Mongolians strive to establish a regional center for Peacekeeping Training. KHAAN QUEST, a PACOM-Mongolia Peacekeeping exercise, will serve as a capstone to this year's peacekeeping training efforts. We are moving from a bilateral to a multi-lateral forum to include other nations in the region in this exercise. PACOM is steadfast in our support of Mongolian Defense Reform efforts; providing guidance and direction to align with more efficient models of Command Structure with a Joint Defense Assessment.

**Russia.** EUCOM is the supported command for Theater Security Cooperation planning and coordination with the Russian Federation with PACOM in a supporting role. Extensive coordination with EUCOM ensures security cooperation efforts are consistent and mutually supporting. PACOM interaction with Russia during 2005 saw some success; including the actual rescue of a trapped Russian submarine crew, the eleventh trilateral search and rescue exercise with Canada and the U.S., and the historic port visit by the USS CUSHING to Petropavlovsk - the first U.S. Navy warship visit there since World War II. Cooperative Threat Reduction interaction suffered because of sharply reduced funding.

**Sri Lanka.** Limited progress occurred over the past year in the peace process between the Government of Sri Lanka (GSL) and the Liberation Tigers of Tamil Eelam (LTTE). After a flurry of violence following the Nov 2005 elections, we are encouraged by the recent talks in Geneva by the GSL and the LTTE and the plan to continue these talks in the near future. The PACOM

security cooperation program with the Sri Lankan armed forces helps deter renewed violence by improving its preparedness as well as demonstrating to the LTTE that the GSL has U.S. support. Military-to-military activities are aimed at developing institutional values that ensure civilian control of the military, and a military commitment to human rights.

**Nepal.** Policy decisions as a result of King Gyanendra's February 2005 assumption of direct rule prevented PACOM from allocating the \$1.48 million in planned Foreign Military Financing (FMF) for Nepal. Prior to the cessation of engagement, FMF and Special Forces Joint Combined Exercise Training with the RNA Rangers were making a difference in Nepal. International pressure and current US policy regarding military-to-military activities with His Majesty's Government of Nepal have yielded little progress in democratic reform. The security situation in Nepal is deteriorating as the Maoist campaign of terror against the government and people intensifies. The Royal Nepalese Army is increasingly challenged in its attempt to protect the population against the terrorists.

**Bangladesh.** We seek to reinforce shared values of democracy and human rights with the Bangladesh armed forces through security cooperation and training. PACOM objectives are to assist Bangladesh in fighting extremism, developing border control, increasing maritime security, and developing the counter-terror skills necessary to align its security capabilities. The security situation in this country is deteriorating as Muslim extremists take advantage of corrupt government with increased terrorist violence.

**Malaysia.** This country has a strongly expanding economy and growing affluence. The government supported the "Eyes in the Sky" initiative to increase combined aerial surveillance over the Strait of Malacca and stood up the Malaysia Maritime Enforcement Agency, a Coast Guard-like organization, in late November 2005. Additionally, Malaysia has worked to develop the Southeast Asia Regional Center for Combating Terrorism as a hub for

exchanging best practices on combating terrorism. These initiatives demonstrate a commitment to combating piracy and other maritime threats, reducing the potential for terrorists to use Malaysia for sanctuary or transit zone, and a desire to work cooperatively with regional partners to increase stability.

**Vietnam.** Our military-to-military relationship with Vietnam is progressing in a modest but positive direction. Vietnam accepted the International Military and Education Training (IMET) program, co-hosted a PACOM multilateral conference on military medicine, and expressed the possibility of supporting international peace operations. These are strong indicators of increased Vietnamese willingness to participate regionally. Along with POW/MIA recovery operations, we promote a combined approach between our armed forces, particularly on issues that can influence regional security or make contributions in humanitarian assistance/disaster relief.

**New Zealand** has been a strong supporter of the War on Terror, including operations in Afghanistan. The Government of New Zealand's 1986 legislative ban of nuclear powered ships in its waters continues to hinder improved military-to-military relations.

**Compact Nations.** We continue to reinforce our special relationship with the three "freely associated" states - the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau. We take seriously our defense obligations to these nations under the Compacts of Free Association through the implementation of our Homeland Defense planning and preparation. We also recognize the significant contributions of the citizens of the Compact nations as they serve with great distinction in the U.S. Armed Forces including OEF and OIF. The Marshall Islands have a particular importance as the location of the Ronald Reagan Ballistic Missile Defense Test Site, a unique asset which is integral to the development of our nation's missile defense programs and the conduct of space operations.

**Security Assistance.** One of the most important features of PACOM theater security cooperation is the security assistance effort we execute in partnership with the Department of State and in close cooperation with our embassy country teams. Of special interest are the grant aid security assistance programs including **International Military Education and Training (IMET)** and **Foreign Military Financing (FMF)**, powerful tools in building partnership capacity of security forces from developing countries. It is a vital element of the Philippines Defense Reform, and is enhancing counterterrorism and maritime security capabilities of other WOT countries, such as Indonesia, Thailand, and Bangladesh. FMF is also improving the capability and readiness of WOT coalition partners Mongolia and Fiji. **PACOM countries typically receive less than one percent of the annual worldwide allocation of FMF.** These modest investments in capacity building and prevention of the conditions which foster instability merit increased funding.

Other key programs in PACOM contribute more broadly to security cooperation by addressing transnational concerns. Our Global Peace Operations Initiative program, efforts to combat weapons of mass destruction, preparations for pandemic influenza, the periodic deployment of the hospital ship, USNS MERCY, and outreach organizations like the **Center of Excellence in Disaster Management and Humanitarian Assistance (COE)** and the **Asia-Pacific Center for Security Studies (APCSS)** provide foundational expertise while establishing enduring relationships between nations of the region. Additionally, **Joint POW/MIA Accounting Command** has proven itself as powerful force multiplier in our efforts to meet security cooperation goals.

**Pandemic Influenza.** Over the past year, PACOM has conducted planning, preparation, education, and an exercise focused on pandemic influenza in an effort to prepare U.S. Pacific forces for the potential of this disease. In addition, and in cooperation with the Department of State and the Department

of Health and Human Services, we have engaged with other Asian-Pacific militaries to raise the collective level of awareness and cooperation. We believe such coordination will help provide better visibility into some nations in the region, and buildup limited response capability. The U.S. overseas military medical laboratories in Jakarta and Bangkok are providing essential services in support of these efforts.

**USNS MERCY Deployment.** The deployment of one of the nation's two hospital ships, USNS MERCY, during the South Asia tsunami relief operations clearly demonstrated the potential of these ships to aid the needy as well as advance security cooperation. This year we plan to begin periodic humanitarian and civil assistance deployments to further our relationships, build capacity and flexibility, and encourage stable, secure environment development in key nations in the Asia-Pacific. To effectively employ resources and build upon the lessons learned and teamwork from tsunami relief, we hope to include NGOs on MERCY to support our operational and humanitarian goals.

**POSTURE FORCES FOR AGILE AND RESPONSIVE EMPLOYMENT**

Forward deployed forces, ready for immediate employment, send an unambiguous signal of undiminished U.S. commitment to the Asia-Pacific area. Agile and responsive global forces also act to deter aggression, provide the National Command Authority rapid, flexible options in crises, and the ability to dominate an opponent in combat if required. We are focusing our ongoing transformation and rebalancing efforts on improving our responsiveness.

Importantly, we approached transformation and rebalancing from a regional perspective and have enjoyed the support of allies and partners in the process. In particular, the cooperation with the Governments of Japan and the Republic of Korea has set the stage for improved combat capability while also reducing the impact on the local populace. Additionally, we are

coordinating closely with the Government of Guam as we strive to optimize our future military posture. In executing the posture changes described below, we are concerned first and foremost with preserving combat capability. We will relocate U.S. forces in close consultation with allies and in a manner which retains our force employment capability. Completing the necessary infrastructure on the agreed timeline will require expeditious and continued commitment of financial resources.

The realignment and consolidation of U.S. Forces Korea into two hubs optimally locates forces for combined defense missions, better positions U.S. forces for regional stability, greatly reduces the number of major installations, returns most installations in Seoul to the ROK, and decreases the overall number of U.S. personnel in Korea. When completed, these initiatives will also result in joint installations that provide more modern and secure facilities, expanded training space, a less intrusive presence, and an enhanced quality of life for both Koreans and U.S. forces and their families. Additionally, transformation reciprocally supports our Korean ally's goal of building military self-reliance and a regionally capable force. The redeployment of 12,500 American forces remains on schedule for a 2008 completion.

Our Japan ALLIANCE TRANSFORMATION AND REALIGNMENT negotiations through the Defense Policy Review Initiative (DPRI) are nearing conclusion, with an agreed implementation plan expected by 30 March of this year. This effort assessed the security environment in the region and bilaterally determined the required roles, missions, capabilities, and force structure. With this initiative, we will inaugurate several substantive changes in Japan including transfer of U.S. carrier tactical aviation from Atsugi Naval Air Facility to Marine Corps Air Facility Iwakuni, collocation of U.S. and Japanese air command and control at Yokota Air Base, reduction of the Marine footprint on Okinawa by approximately 7,000 Marines and relocation of them to Guam.

Subsequent to Marine redeployment and consolidation of forces on Okinawa, we intend to return land to the Japanese and thereby mitigate some irritants to local communities. The GOJ has also approved USS GEORGE WASHINGTON, a nuclear carrier, as a replacement for USS KITTY HAWK.

In South and Southeast Asia, we are continuing efforts to increase access and theater security cooperation opportunities through the development of Cooperative Security Locations (CSL) and Forward Operating Sites (FOS). Such locations would be characterized by minimal infrastructure and periodic presence. In December 2004, we validated the CSL concept in the tsunami response.

#### **QUALITY OF SERVICE**

Our personnel readiness remains strong. Morale is high. Your continued support of our Quality of Service (QoS) initiatives contributes immensely to our combat readiness and the retention of our highly skilled Soldiers, Sailors, Airmen, and Marines. In particular, thank you for demonstrating your commitment to our military men and women and their families by approving the 3.1% pay raise, authorizing full Basic Allowance for Housing for Reservists called to active duty for more than 30 days, making permanent the increase to the Family Separation Allowance rate, enhancing the death gratuity benefit to \$100K, increasing the Servicemen's Group Life Insurance maximum amount to \$400K, and authorizing retroactive Hostile Fire and Imminent Danger Pay. In addition, by providing travel and transportation rights to family members to visit their hospitalized service member and not requiring payment for meals in a military hospital by members undergoing recuperation or therapy, you have helped to improve morale and build loyalty.

**SUMMARY STATEMENT**

Last year's visits to the region by the President and Defense Secretary are indicative of the growing prominence of the Asia-Pacific. The extraordinarily dedicated men and women of U.S. Pacific Command - serving in and out of uniform - understand the region and its importance to our national interests. We are committed and prepared to serve those interests - whether in peace or at war. The American people and the Congress have provided staunch support and we sincerely appreciate your advocacy and assistance. I am proud and honored to represent the men and women of U.S. Pacific Command. On their behalf, thank you for your support, and thank you for this opportunity to testify on our defense posture.